

REPORT TO: Employment, Learning, Skills and
Community Policy and Performance Board

DATE: 20 September 2010

REPORTING OFFICER: Strategic Director Environment and
Economy

SUBJECT: Enterprising Halton Programme

WARDS: All Wards

1.0 PURPOSE OF THE REPORT

- 1.1 To report on progress achieved by the Enterprising Halton Programme in promoting a culture of enterprise across the Borough and supporting the creation of new business start ups since it was launched in April 2007.

2.0 RECOMMENDATION: That

- (1) The Board acknowledges the significant contribution the Enterprising Halton Programme has made to promoting enterprise development activity, supporting new business start ups, and job creation.

3.0 SUPPORTING INFORMATION

- 3.1 In July 2005, The Life Chances & Employment Specialist Strategic Partnership commissioned the Halton Enterprise Strategy and Action Plan. The study considered why Halton had performed so poorly on key enterprise indicators and identified an action plan to release the business potential of the resident population of Halton. The study addressed several issues that were prevalent at the time :

- The consistent low levels of new business start-ups and self-employment in the Borough;
- The rate of new VAT registered businesses which were among the lowest in the region;
- Low self-employment rates

This was also set within a context of the government floor target for enterprise (DTI PSA6) aimed at

- 'building an enterprise society in which small firms of all kinds thrive and achieve their potential, with
- An increase in the number of people considering going into business;
 - An improvement in the overall productivity of small firms; and
 - More enterprise in disadvantaged communities.

3.2 The Enterprise Strategy Action Plan, that had been developed following extensive consultation, and, as part of the study, identified a number of key recommendations aimed at supporting the vision of *'developing a culture of enterprise and improving business performance in Halton'*:

- establish a Halton Enterprise Partnership to drive forward the strategy;
- create an enterprise *'gateway'* - a single point of access to deal with enterprise enquiries;
- develop a Halton *'enterprise offer'*- provision of business start-up advice and support;
- appoint an enterprise development officer to drive the day to day work ;
- develop a comprehensive client tracking system that tracks progression from initial enquiry to business start-up;

3.3 With the establishment of the Employment Learning & Skills Specialist Strategic Partnership, a refresh of the original Enterprise Strategy took place. The refreshed strategy *'Connections, Connectivity and Communications: The Building Blocks of an Enterprise Strategy for Halton'* identified that the most effective way of driving the enterprise agenda forward in Halton was to build a strategy around the key strategic assets that the Borough had to offer i.e.

- **Connections** the distinct features of the Borough's physical location in one of the country's main economic hubs are placed at the heart of the enterprise strategy.
- **Connectivity** involves employing the Borough's progress to date in information and communications technology as a platform to establish an outstanding business, customer and community offer.
- **Communication** addresses not only the ways in which the strategy is communicated but the entire process of engagement with different interests and stakeholders.

A new vision for developing a culture of enterprise stated that

"Anybody with talent, potential and drive to succeed in business should have the opportunity and necessary support to do so, regardless of their background or where they live"

3.4 In endorsing the original strategy, The Employment Learning & Skills Partnership also adopted additional principles namely

- The appointment of a private sector Enterprise Champion to drive forward the strategy;
- that the *'enterprise offer'* in Halton should be branded as *'Enterprising Halton;'*
- that the Enterprise Partnership should support the Halton Education Business Partnership to further develop the Enterprise Game and promote.

- 3.5 The Employment Learning & Skills Partnership established three strategic sub groups to take forward the employment, learning & skills and enterprise agendas in Halton. The private sector led Halton Enterprise Board comprises local business men and women who lead the enterprise development agenda and act as a sounding board on behalf of the Partnership for employment, learning & skills related issues. The Board has appointed one of the private sector representatives as an Enterprise Champion.
(The Terms of Reference and Membership of the Enterprise Board are attached at Annex 1).
- 3.6 The Council allocated revenue priorities funding Fund to appoint an Enterprise Development Officer to take forward the Enterprise Action Plan and the Employment Learning & Skills Partnership allocated resources through the Neighbourhood Renewal Fund to develop the *Enterprising Halton Programme* business start up project.
(An outline of the features of the initial programme are attached at Annex 2)
- 3.7 The allocation of significant Working Neighbourhoods Fund in 2009/10 and 2010/11 has enabled the Enterprising Halton Programme to be further developed and enhanced through the introduction of the Aftercare Academy, managed by Halton Chamber of Commerce & Enterprise and developing the Next Generation Entrepreneurs initiative in partnership with Halton Education Business Partnership.
(An outline of the enhanced programme introduced in April 2009 is attached at Annex 3)
- 3.8 The Enterprising Halton Programme is now well established as an Enterprise development support project that is very much valued by potential entrepreneurs, new business start ups, and the private sector led Enterprise Board, the Chamber of Commerce and Jobcentre Plus.
- 3.9 Since the Enterprising Halton Programme was launched in April 2007 **362 new businesses** have been established that have **created 106 new** jobs in addition to the business owners. Since April 2009 **110 (52%)** of the 214 new businesses have been set up in priority lower super output neighbourhoods.
(A schedule of the projects achievements since it was launched on 1stApril 2007 to the period 31 August 2010 is attached at Annex 4)
- 3.10 The project is highly regarded as an exemplar of enterprise best practice and the grants regime developed by Halton has been adopted by both Liverpool Vision and North Liverpool and South Sefton LEGI Board to support new start ups in their respective areas.
- 3.11 The North West Development Agency introduced the region wide Intensive Business Start up Service (ISUS) in September 2009 to support the creation of new businesses and to develop recent start ups

that had been trading for between 12 and 36 months. The Council agreed to co-fund the ISUS provision in Halton and agreed to allocate £40,000 per year in addition to the Agency allocation of £180,700 per year to support the creation of 230 new businesses and 413 new jobs during the period September 2009 to March 2012. The Halton Enterprise Board were involved in the appointment of ELECT and Princes Trust the two ISUS providers selected to offer intensive business start-up support to potential entrepreneurs in Halton.

4.0 POLICY IMPLICATIONS

- 4.1 The work of Enterprising Halton Programme contributes to employment, learning and skills key priorities contained in the Halton Sustainable Communities Strategy, the Local Area and Multi Area Agreement and the Liverpool City Region Employment & Skills Strategy.
- 4.2 The work of Enterprising Halton Programme also contributes to performance against National Indicators relating to employment, enterprise and learning.

5.0 OTHER IMPLICATIONS

- 5.1 The Enterprising Halton Programme is funded through a combination of Council revenue funding of £71,640 in this current financial year and a significant allocation of Working Neighbourhoods Fund of £322,975 in the financial year 2009/10 and 2010/11.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

The Enterprising Halton Programme supports young people to translate an entrepreneurial idea into a viable commercial business proposition. The Intensive Business Start Up service supports people over 18 and links to the Prince's Trust programme in providing intensive support to young people aged 18. Activity described in this report has also helped Not In Employment Education and Training young people onto apprenticeships.

6.2 Employment, Learning and Skills in Halton

The Enterprising Halton Programme supports the employment, learning & skills and enterprise agenda in Halton. The project has helped 362 people, many of whom were previously unemployed and in receipt of benefit, to set up in business and those new businesses have created an additional 106 jobs for local people. A number of the business start ups have accessed skills development training to enhance their business and several have employed apprentices.

6.3 A Healthy Halton

The Enterprising Halton Programme is accessible to all people of working age in Halton. Since the programme was launched in April 2007 46 (13%) disabled people have been supported with setting up a business.

6.4 A Safer Halton

6.5 Halton's Urban Renewal

A number of new business starts ups supported by the Enterprising Halton Programme have established their business in regeneration areas for example, 31 in Castlefields since April 2007 and others have rented premises owned by the Council.

7.0 RISK ANALYSIS

7.1 The loss of Working Neighbourhoods Fund, particularly the availability of a grant regime will have a serious detrimental impact on the numbers of new business start ups and on the sustainability support offered to new businesses in Halton through the Aftercare Academy.

7.2 The NWDA Intensive Start up Service will be in place to provide start up advice until 32 March 2012, although cuts in public spending are expected to reduce the allocation of funds in Halton by 25%. The Agency is proposing to achieve those savings by withdrawing the business sustainability support offered to new businesses that have been trading for more than 12 months

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The Enterprising Halton Programme has been included in the Equality & Diversity Impact Assessment completed on behalf of services provided by the Enterprise & Employment Division.

8.2 The programme is available to all people of working age between the ages of 16-64 years. To date 362 new business have been established, of which 136 (38%) are female owned businesses and 46 (13%) are businesses owned by disabled people. Since April 2009, 110 (52%) of the 242 businesses created have been established in priority lower super output neighbourhoods.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

9.1. Not applicable

**EMPLOYMENT LEARNING & SKILLS (ELS)
SPECIALIST STRATEGIC PARTNERSHIP (SSP)**

ENTERPRISE SUB GROUP – HALTON ENTERPRISE BOARD

Aims of the ELS SSP

The Partnership's aim is:

To create an economically prosperous borough that encourages investment, entrepreneurship, enterprise and business growth, and improves the skills and employment prospects of our residents and workforce so that they can share in the all the opportunities Halton affords.

The Partnership's key objectives are:

- A** To foster a culture of enterprise and entrepreneurship and make Halton an ideal place to start and grow economic activity
- B** To develop a culture where learning is valued and raise skill levels throughout the adult population and in the local workforce
- C** To promote and increase the employability of local people, tackle economic inactivity and help to address any barriers to employment
- D** To develop a strong, diverse, competitive and sustainable knowledge based local economy
- E** To foster the financial inclusiveness of local people, including access to appropriate, supportive advice services where both empowerment and practical help can be provided

Partnership Remit and Sub Groups

The Partnership has a remit to develop strategies and action plans for the delivery of Employment, Enterprise, Learning and Skills; will understand and represent local needs around this agenda and is responsible for the delivery of related targets and outcomes contained within the Community Strategy for Halton. The partnership has established three sub groups that will be responsible for taking the lead on each strategy and action plan i.e.

- Employment Sub Group
- Enterprise Sub Group
- Skills Sub Group

The Enterprise Sub Group - Halton Enterprise Board

Terms of Reference

The Enterprise Sub Group will be known as the Halton Enterprise Board and will be responsible for taking the lead on the development of the Halton Enterprise Strategy and Action Plan. The Board will advise the ELS SSP about enterprise development and entrepreneurship in Halton. In addition, the Board will also act as an employer 'sounding board' to the SSP on all matters relating to employment, learning and skills development.

Halton Enterprise Board Membership

The Board will comprise of private sector members that will nominate an Enterprise Champion to represent the interests of the Board and the ELS SSP. Representatives from organisations providing enterprise development and business support will be invited to attend Board meetings but will not be members of the Board. At the request of members, Halton Borough Council will Chair Board meetings and will provide administrative support.

Halton Enterprise Champion

The Board will appoint a private sector representative as the Enterprise Champion who is responsible for driving forward the enterprise development agenda in the Borough will act as the Board's spokesperson on issues relating to enterprise, employment and learning & skills issues.

Enterprise Board Meetings

Board meetings will be hosted by Halton Borough Council at The Heath Business & Technical Park Runcorn. It is suggested that breakfast meetings (0800 – 1000) are held bi-monthly to coincide with scheduled meetings of the ELS SSP.

Following a request from private sector members that meetings should be chaired by an officer representing Halton Borough Council, meetings will be chaired by the Head of Enterprise & Employment.

Representation at ELS SSP Meetings

The officer from Halton Borough Council that chairs the Board meetings will attend the ELS SSP meetings to represent the interest of the Board and will report progress towards achieving enterprise development objectives and targets.

HALTON ENTERPRISE BOARD MEMBERSHIP

20010/11

Private Sector Board Members

Eddie Basnett	Managing Director, EBL Group Ltd
Peter Cook	Managing Director, SOG Ltd
Sue Edge	Sole Trader representing Halton Women in Business Network
Sauren Gosh	Sole Trader, Mongoose IT Solutions
Liz Hindley	Director, The Learning Curve
Steven Nickson	Managing Director, DATS Holding and Chair of Halton Chamber of Commerce
Steve O'Connor	Director of Operations, Stobart Group
Steve Swift	Group Managing Director, AereLink
Andrew Taujanskas	Managing Director, OciusB2

**Halton Enterprise Champion
Enterprise Board Advisors**

Eddie Basnett

Colin Billingsley	External Partnership Manager, Jobcentre Plus
Mark Booker	Enterprise Manager, NWDA
Paula Cain	Business Manager Halton Chamber Of Commerce & Enterprise
Frank Duckers	Acting Enterprise Development Officer, Halton BC
Gerry Fitzpatrick	Head of Enterprise & Employment, Halton BC
Kevin Smith	Assistant Principal, Riverside College
Steve Heneghan	Area Relationship Manager, Business Link NW
Michelle McGeiver	Enterprise Assistant Halton BC (Note Taker)
Andy Page	Manager, Halton Education Business Partnership
Rob Vondy	Area Director, ACAS Merseyside & Cheshire

Enterprising Halton Programme

Outline of Business Start up Provision provided between April 2007 to March 2009 in Business

1. The Enterprise Development Officer will co-ordinate all enterprise activity and the project will work with Enterprise Outreach organisations (HPiJ Enterprise & Business Start-up Brokers, HPiJ Enterprise Charter, Train 2000, NW Business Link, Silver Entrepreneurs, Halton Chamber of Commerce & Enterprise, Riverside College) to promote entrepreneurship and support residents into business start-up or self-employment opportunities.
2. The Enterprise Brokers/organisations will provide initial start-up advice; assist with business planning, legal requirements, trading activities and business aftercare to assist the new business sustainability.
3. A new Enterprise Business Start-up grant of £500 will be available to new starts on commencement of trading.
4. Enterprising Halton Programme 'offer':
 - Private sector led Enterprise Board and Enterprise Champion to drive forward the enterprise agenda in Halton
 - Enterprise Enquiry Service (information, support & signposting)
 - Enterprise Development Officer (develop & co-ordinate all enterprise activity)
 - Enterprise Broker & Outreach Service (business advice & counselling within community neighbourhoods)
 - Silver Entrepreneurs (enterprise awareness raising for people aged 50 years and over)

- Women into Business (business advice, counselling and NVQ3 training)
- Enterprising Halton business start up grant of £500
- 12 month membership subscription to Halton Chamber of Commerce
- Enterprising Halton Challenge Competition
- Support to Halton Education Business Partnership to further develop and promote the Enterprise Game

5. 2007/08 'Enterprising Halton' programme achieved the following outputs

- 393 new start up enquiries – 228 (58%) male and 165 (52%) female
- 70 business starts against a target of 50 starts
- 42 (60%) male owned and 28 (40%) female owned businesses
- 36 additional jobs created
- 7 VAT registrations

Annex 3

Enterprising Halton Programme

Features of the Enhanced Services introduced in April 2009

The allocation of significant Working Neighbourhoods Fund by the Employment Learning & Skills Partnership enabled the Halton Enterprise Board to further develop and enhance the Enterprising Halton Programme the core 'offer' to provide additional features to support new business start ups and help existing businesses to become more sustainable.

1. 'Kickstart' Pre-start up Awareness Course

The programme has developed a pre-start up awareness course aimed at advising potential entrepreneurs of the advantages, opportunities and risks associated with business start up or self-employment before they commit to progressing to business start up advice and support. The course has been developed to be delivered over 10 hours, both 2 consecutive day and 3 consecutive evening courses appear to suit the needs of potential start ups.

2. Job Creation Grant

Those new businesses that had been supported through the programme could access to a new job creation grant of £250 if they employ a Halton resident that was previously in receipt of working age benefits.

3. Business Sustainability Grant

Those new businesses supported through the programme that had continuously traded for 12 months could access a sustainability grant of £500 to assist with business survivability. Since the grant was introduced the

business survivability rate has increased from 50 to 68% for those business trading between 12 and 24 months.

4. Halton Aftercare Academy

The Enterprise Board developed the features of the Aftercare Academy to support new and existing Halton businesses to become more competitive and assist with business sustainability. The Board commissioned Halton Chamber of Commerce and Enterprise to introduce and manage the Aftercare Academy, the features of which are outlined below:

- **Procurement Facilitation** – opening up access to public sector procurement opportunities for Halton businesses. The appointment of a specialist adviser to liaise with public sector organisations about promoting procurement opportunities for local business and helping those businesses through the procurement process.
- **Buy Local Campaign** – support local business to business inter-trading and encourage residents to buy local through the commissioning and setting up of the **Bizhalton** website a directory of business in Halton with nil cost subscription available to any business operating in Halton.
- **Women in Business Network** – support the development of women's business network for and run by women business owners based in Halton.
- **Business Buddies** – a business mentoring support programme for new business starts and existing micro businesses in Halton.

5. Next Generation Entrepreneurs

The Enterprise Board has provided funding to Halton Education Business partnership to support

- the development of a primary school version of the Enterprise Game
- the joint appointment with Young Enterprise of a Halton Schools Enterprise Officer who will be responsible for developing and introducing a programme of schools based enterprise initiatives including
 - *Entrepreneurs in Residence* i.e. a local entrepreneur attached to each secondary school
 - *Entrepreneur Tutorials* – local entrepreneurs attending primary & secondary schools to promote awareness about enterprise
 - Enterprise in Halton Reference Library – a reference library of 100 businesses in Halton researched and developed by school children

Annex 4

Enterprising Halton Programme

Achievements from April 2007 – August 2010

1. 2007/08 'Enterprising Halton' programme achieved the following outputs

- 393 new start up enquiries – 228 (58%) male and 165 (52%) female
- 70 business starts against a target of 50 starts
- 42 (60%) male owned and 28 (40%) female owned businesses
- 36 additional jobs created
- 7 VAT registrations

2. 2008/09 "Enterprising Halton" programme achieved the following outputs:

- 78 business starts against a revised target of 75 starts
- 67 additional jobs created against a target of 50 jobs
- 42 business sustainability grants awarded against a target of 30
- 4 new 'kick-start' pre-start-up training courses delivered

3. 2009/10 'Enterprising Halton' programme achieved the following outputs

- 565 new start-up enquiries – 161 (29%) female
- 154 new start-ups – 59 (38%) female
- 82 start-ups in priority neighbourhoods (53%)
- 15 business owners with a disability (10%)
- 13 VAT registrations
- 24 sustainability grants awarded
- 61 additional jobs created over and above owners
- 7 Job Creation grants awarded
- 10 'kickstart' training courses delivered

4. 2010/11 Progress towards the performance targets as at end of August 2010:

- 259 new start up enquiries against a target of 420 - 161 (62%) male and 98 (38%) female
- 60 new business starts against a target of 110 – 35 male (58%) and 25 (42%) female
- 9 new jobs created against a target of 46
- 9 sustainability grants awarded against a target of 50
- 6 Kickstart Courses delivered against a target of 10
- 2 VAT registrations against a target of 10
- 68% Business survivability rate against a target of 50%